APPENDIX E-342 P

RECOMMENDED ADD/DELETE NUMERIC STOCKAGE OBJECTIVE ITEMS LISTING
(PART I)

1. FORM/REPORTS USED

  a. Appendix B-189, Supply Control Data Change Transaction, DIC ZR3.

  b. Appendix F-8, Recommended Add/Delete Numeric Stockage Objective
Item Listing.

  c. Appendix F-167, Standard Supply Control Study, Reason Code NS
(currently suppressed).

2. REASON/CRITERIA FOR REVIEW

  As a result of a quarterly computer application, all items are
mechanically validated as to whether they belong in Replenishment Demand
Category or NSO Category. The computer does not automatically change
items from ICC 1 (Replenishment Demand Item Category) or P (Replenish-
ment Item - Program Oriented) to NSO items, but will print the items by
family number on a Recommended Add/Delete NSO Listing (appendix F-8)
whenever criteria are not met for maintaining item as Replenishment
Demand Item. Replenishment Demand Item criteria are defined as an item
having three or more annual demand frequencies for 12 or more annual
demand units having an annual dollar value for demand units valued at
$20 or more during the past four quarters. As a companion piece to the
listing, an SSCS is also prepared mechanically identified with Reason
Code NS as the reason for the study (currently suppressed). The purpose
of this appendix is to provide for a review by IMs using the mechanical
tools cited plus other data available to determine whether a change in
ICC should or should not be made.

3. RESPONSIBLE ORGANIZATIONAL ELEMENT

  Review will be conducted by IMs in Inventory Management Divisions,
DSO; the two ADPE reports (SSCS and Recommended Add/Delete NSO Items
Listing, part I) will be distributed to applicable IMs by ORC.

 4. PROCEDURES/INSTRUCTIONS FOR REVIEW AND PREPARATION OF FORM

  a. IMs utilizing both ADPE reports plus Jacket Files in their
possession pertaining to items involved will determine whether ICC
changes should or should not be made as recommended by ADPE reports.
Jacket File data are construed as any source information via corre-
spondence, directive, and the like from HQ DLA or Services which would
indicate, for example, that item should remain as Replenishment Demand
Item, ICC 1, because an influx of demands is expected in the foreseeable
future. In the event no change is to be made, file the SSCS in the
Jacket File. In the event a change is to be made from a Replenishment
Item to a NSO item, initiate a Supply Control Data Change Transaction,
DIC ZR3, appendix B-180, IAW appendix E-189 P.

b. Utilizing appendix B-189, effect a change to ICC (pos. 34) in the event the review cited above warrants same. Entry in pos. 34 may be Code B (permanent change to NSO item) or Code 2 (change to NSO item with automatic mechanical change in future if criteria for Replenishment Demand Item are met at time of next quarterly review).

(1) The following entries <u>must</u> be put in the coding sheet (80 field position):

FIELD LEGEND	FIELD POSITIONS	EXPLANATION/INSTRUCTIONS
DIC	1-3	Enter ZR3.
RIC	4-6	Enter code applicable to DSC.
Item	8-20	Enter FSC and Family Number.
UI	23-24	Applicable to Family Number.
ICC	34	Enter B for permanent change.
		Enter 2 for change permitting future mechanical change.
NSO	35-42	Enter NSO Quantity. Enter a quantity of 1 or more based upon actual (or estimated) demand during a 12-month period tempered by sound inventory management judgment. A zero NSO quantity will be assigned to NSO items, with FSSC 2, 3, or 9 and, when the last user and the DSC are withdrawn from the item under DIIP.
ORC	77-78	Enter applicable ORC.

<u>ALL OTHER TRANSACTION COLUMNS WILL BE BLANK</u>.

(2) Completed coding sheets will be forwarded for keypunching and entry to ODS programs.

(3) Coding sheets will be returned to IM from keypunching annotated as to date and time of keypunching and IM will retain in file.

c. The SSCS will be filed in the Item Jacket for a minimum of two years. The Recommended Add/Delete NSO items listing will be filed and destroyed upon receipt of a new listing.

5. FLOWCHART

Flowchart not required.